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REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF THE MID-PENINSULA WATER DISTRICT

March 28, 2019  
Belmont, California

**1. OPENING**

**A. Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Vella at 6:34PM.

**B. Establishment of Quorum:**

**PRESENT:** Directors Vella, Zucca, Schmidt and Wheeler.  
Director Warden was absent.

A quorum was present.

**ALSO PRESENT:** General Manager Tammy Rudock, Operations Manager Rene Ramirez, Administrative Services Manager and Board Secretary Candy Pina, District Engineer Brandon Laurie, District Treasurer Jeff Ira, and District Counsel Catherine Groves.

**C. Pledge of Allegiance** – The Pledge of Allegiance was led by President Louis Vella.

**2. PUBLIC COMMENTS**

Customer John Selin submitted a letter to the Board and explained his concerns related to our billing procedures. In his letter, he explained his payment history and asked to have the late fee removed. Staff responded they would follow-up with Mr. Selin.

Sgt. Hussey of the Belmont Police Department was in attendance.

**3. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS**

None.

**4. ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

**5. CONSENT AGENDA**

**A. Approve Minutes for the Regular Board Meeting of February 28, 2019**

**B. Approve Expenditures from February 22, 2019 through March 21, 2019**

Director Schmidt asked for clarification related to an expenditure paid to Golden State Flow Measurement Inc., in the amount of \$152,795. General Manager Rudock explained this was for the purchase of meters for the AMI Meter program. Director Wheeler moved to approve the Consent Agenda. Director Schmidt seconded and it was unanimously approved.

**6. HEARINGS AND APPEALS**

None.

52 7. **MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COP**  
53 **(CERTIFICATES OF PARTICIPATION) FINANCING**

54 None.

55  
56 8. **REGULAR BUSINESS AGENDA**

57 A. **Consider Approving Roster of Director Assignments/Committees for 2019-2020,**  
58 **including Standing Finance Committee**

59 General Manager Rudock requested clarification and confirmation of the Board's  
60 discussion last month about a standing Finance Committee.

61  
62 President Vella described the committee's purpose. District Treasurer Ira discussed the  
63 name change, and what had been discussed in the finance committee meetings, which  
64 included fee changes, rate studies. He noted that these meetings were called when staff  
65 needed assistance. Vice President Zucca gave examples with respect to how the  
66 committee would work.

67  
68 General Manager Rudock asked District Counsel Groves whether minutes would be  
69 required for the standing committee meetings. District Counsel Groves responded they  
70 would confirm and report back to staff.

71  
72 B. **Consider Resolution 2019-06 Approving Updated MPWD Rules of the Board**

73 General Manager Rudock summarized highlights from the staff report and the intent of  
74 the update for the MPWD's transparency certification. Vice President Zucca commented  
75 he preferred not to list items in the Rules of the Board, which are already regulations.  
76 He also felt the wording in section 8.3 under the Conflict of Interest and Ethical  
77 Guidelines were ambiguous. It was decided the sentence should reflect the word  
78 "endeavor" to maintain the highest standard.

79  
80 Vice President Zucca moved to approve Resolution 2019-06 Approving Updated MPWD  
81 Rules of the Board. Director Wheeler seconded and it was unanimously approved.

82  
83 C. **Consider Resolution 2019-07 Approving MPWD Policy for Public Records Act**  
84 **Requests**

85 General Manager Rudock briefly summarized the new policy in order to meet the basic  
86 requirements for transparency certification. Director Schmidt wondered why staff's time  
87 was not included in retrieving Public Records. General Manager Rudock explained  
88 when a fee could be charged, which was confirmed by District Counsel. General  
89 Manager then gave an example when staff did charge a fee for public records.

90  
91 Director Schmidt asked about the language being used in Point 12 on page 26. District  
92 Counsel confirmed the language is an open ended statement for security purposes and  
93 is a balancing act provision to provide for protection. Vice President Zucca noted three  
94 typographical errors on page 25. President Vella added that the Board may need to  
95 revisit the fee schedule in the future.

96  
97 Director Schmidt moved to approve Resolution 2019-07 Approving MPWD Policy for  
98 Public Records Act Requests. Vice President Zucca seconded and it was unanimously  
99 approved.

101 **D. Consider Resolution 2019-08 Approving Updated MPWD Personnel Manual**

102 General Manager Rudock explained the fulfillment of a strategic priority in updating the  
103 personnel rules and commented on the minor edits and changes made. She reported  
104 that she met and conferred with the MPWD Employee Association to share all revisions  
105 in detail.

106  
107 Director Schmidt asked for clarification on page 36 related to the CalPERS credit given  
108 for sick leave. General Manager Rudock explained there is zero dollar impact on the  
109 District when staff converts their sick time for CalPERS credit. It would basically  
110 eliminate an MPWD liability.

111  
112 President Vella commented that he was pleased the personnel manual was being  
113 reviewed more often. General Manager Rudock replied that it was on an every two-year  
114 review, or annually if necessary, and also during labor negotiations.

115  
116 Director Schmidt moved to approve Resolution 2019-08 Approving Updated MPWD  
117 Personnel Manual. Director Wheeler seconded and it was unanimously approved.

118  
119 **E. Discuss Preliminary Revenue Requirements for FY 2019/2020 and Proposed Water**  
120 **Rate Adjustments**

121 General Manager Rudock provided background information on Proposition 218 and the  
122 2015 process. She reviewed the fiscal impact section and last year's financial plan and  
123 water rate update recommendations. She shared a brief summary of the proposed FY  
124 2019/2020 Operating and Capital Budgets and related CPI adjustments to several of the  
125 operating account line items. She reminded the Board about their direction back in 2015  
126 to make minor increases in the monthly fixed system charges. General Manager  
127 Rudock proposed the MPWD follow through with the updated financial plan and water  
128 rate update's recommended 4.1% blended rate increase. She referred to the water rate  
129 comparison charts prepared by Bartle Wells Associates for clarification purposes. She  
130 pointed out the MPWD has migrated to the middle of the range related to agencies  
131 within the SFPUC Regional Water System.

132  
133 Director Wheeler asked questions about the fixed rate charges, asking if there was a  
134 study done and did the committee review this. General Manager Rudock referenced  
135 page 65 on the cost recovery allocation. Staff agreed to send Director Wheeler the link  
136 on the MPWD website to the full water rate study.

137  
138 Vice President Zucca also offered an explanation for justification of the rates. He also  
139 asked staff to assess the rates comparison and averages, and explore tier structures.  
140 General Manager Rudock said this was the first discussion on rates and advised staff  
141 will bring this item back.

142  
143 **F. Review Preliminary DRAFT Operating and Capital Budgets for FY 2019/2020**

144 General Manager explained staff's preliminary view of the budgets, including the  
145 proposed water rate increase. For the Capital Budget, staff is recommending it be  
146 developed as part of the larger financial planning process, which will start with the  
147 Board's Finance Committee.

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149 Vice President Zucca added that MPWD is playing catch-up on the original budget and  
150 staying within appropriate agency comparison ranges and President Vella commented  
151 on fears if rates are not increased.

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**G. Receive BAWSCA Update**

President Vella discussed at the policy level, seeing new faces. He also shared that he asked Nicole Sandkulla, BAWSCA's CEO to confirm that information presented on record at BAWSCA Board meetings can be shared with member agencies.

General Manager Rudock reported staff is remaining active at the water management level in any projects that would impact MPWD ratepayers, including proposed supplemental water supply projects. She further reported that staff attended and presented on the District's Sensus AMI Customer Portal at BAWSCA's first annual AMI workshop held Wednesday, March 27, 2019.

**H. Receive San Mateo County Chapter CSDA Update**

General Manager Rudock reported on highlights from the last chapter meeting.

**9. MANAGER AND BOARD REPORTS**

**A. General Manager's Report**

General Manager Rudock reported that Director Schmidt completed his ethics training.

**1. Supplemented by Administrative Services Manager's Report**

Administrative Services Manager Pina reported that the final pension liability contribution has been made to the PARS trust account, so it is fully funded to date. She also commented on the meter change-out impacts on the administrative staff.

**2. Supplemented by Operations Manager's Report**

Operations Manager Ramirez reported on the AMI meter installations for the month. He highlighted the administrative bullet point on page 81 related to the water quality chromium 63/6 monitoring foot-note error. Staff has corrected this.

Vice President Zucca discussed the F Street parcel, asking if San Mateo County is preparing an offer. General Manager Rudock responded in the affirmative.

President Vella asked when the AMI installation will be completed. Operations Manager Ramirez commented there is a lot of good energy behind it and responded the project could potentially conclude at the end of the fiscal year.

Director Wheeler asked for an update on the Middle Main replacement project. He noticed a low spot in the pavement. Operations Manager Ramirez advised he would address the concern with the City of Belmont.

**3. Supplemented by District Engineer's Report**

Brandon Laurie reported the Hillcrest Pressure Regulating Station project will begin construction on April 1, 2019 and take approximately 35 days to complete. He then discussed the 2019 Water Main Replacement project and provided an update.

**B. Financial Reports**

**1. Receive Financial Reports for Month Ended February 28, 2019**

General Manager Rudock explained higher than expected income projections due to capacity charges and how this affects the bottom line. She also added that depreciation and excess reserves will be considered during the next financial committee meeting and brought before the full Board for discussion.

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**2. Presentation by District Treasurer of Proposed Monthly Financial Reports**

District Treasurer Ira presented his recommendation for future monthly financial packets and noted that additional details are available upon request. He explained the four reports and that Director Warden mentioned a more summary format for the Board agenda packet. General Manager Rudock added that the Board will see the details twice a year, when both the budget and mid-year budget are discussed.

**C. Director Reports**

Director Schmidt commented that there was an issue with water taste and odor at the Water Dog Tavern and that he did not notice anything at his home. General Manager Rudock said that staff responds to those inquiries when they are reported but none had been received from that location. He also suggested that employees might be interested in changing holidays to be off on Election Day. General Manager Rudock commented that she would ask staff.

Director Wheeler gave a brief HIA meeting update. He also said he was not elected to the ACWA Region 5 Board.

Vice President Zucca said he had a conversation with a colleague with respect to MPWD's claims process. He asked if this was on our website. General Manager Rudock explained we have established in-house procedures, which includes a team consisting of Rick Bisio, Candy Pina, and Tammy Rudock. She also indicated that we do not have the claim form on our website but that the form does include detailed instructions.

President Vella discussed Belmont's State of the City address and mentioned both he and General Manager Rudock were present. A doodle poll is expected to come out coordinating a meeting between the MPWD and the city.

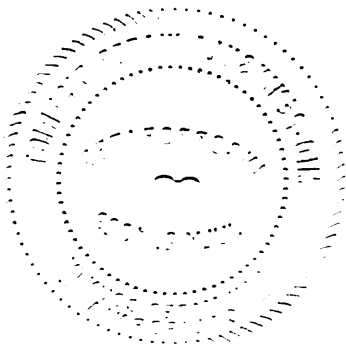
**10. COMMUNICATIONS**

None.

The Board convened to Closed Session at 8:38PM to discuss one item.

**11. CLOSED SESSION**

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION AND ASSOCIATED NEGOTIATIONS  
Government Code §§54957 and 54957.6  
Title: General Manager



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**12. RECONVENE TO OPEN SESSION**


The Board reconvened to open session at 9:45PM. District Counsel reported that no reportable action had been taken.

**13. ADJOURNMENT**

The meeting was adjourned at 9:47PM.

  
DISTRICT SECRETARY

APPROVED:

  
BOARD PRESIDENT

